



Munisipaliteit
Municipality
Umasipala

MINUTES OF A MEETING OF THE SWARTLAND MUNICIPAL COUNCIL, HELD IN THE MALMESBURY BANQUETING HALL ON THURSDAY, 27 JULY 2017 AT 11:00

PRESENT:

Speaker, clr M Rangasamy

Executive Mayor, ald T van Essen

Deputy Executive Mayor, ald M S I Goliath

Bess, D G (DA)

Bekebu, Z (ANC)

Daniels, C (DA)

De Beer, J M (DA)

Fortuin, C B (DA)

Humphreys, F S (ANC)

Maart, E S M (DA)

Papers, C H (DA)

Penxa, B J (ANC)

Philander, D B (ANC)

Smit, N (DA)

Sneewe, A M (ANC)

Solomons, P E (DA)

Stemele, O M (DA)

Van der Westhuizen, R F (DA)

Van Zyl, M (DA)

Officials:

Municipal Manager, mr J J Scholtz

Director: Development Services, mr J T Steenkamp

Director: Financial Services, mr M A C Bolton

Director: Security Services, mr P A C Humphreys

Director: Electrical Engineering Services, mr R du Toit

Director: Corporate Services, ms M S Terblanche

Director: Civil Engineering Services, mr A J Botha

Manager: Secretarial and Record Services, ms N Brand

1. OPENING

The Speaker requested a minute's silence in sympathy with clr N S Zatu whose Mother had passed away.

The Municipal Manager, mr J J Scholtz, opened the meeting with a scripture reading and a prayer at the request of the Speaker.

The Speaker congratulated councillors and officials who had celebrated birthdays during June and July.

2. APOLOGIES

Apologies received from clrs V D McQuire, L E Mfutwana, B J Stanley and N S Zatu.

3. DELEGATIONS/ANOUNCEMENTS AND COMMUNICATIONS/SUBMISSIONS

4. MINUTES FOR APPROVAL

4.1 MINUTES OF AN ORDINARY COUNCIL MEETING HELD ON 25 MAY 2017

RESOLUTION

(proposed by clr M van Zyl, seconded by clr C B Fortuin)

That the minutes of an Ordinary Council Meeting held on 25 May 2017 are approved and signed by the Speaker

**5. REPORT IN RESPECT OF DELEGATED DECISION MAKING BY THE EXECUTIVE MAYOR
RESOLUTION**

That note is taken of the decisions made by the Executive Mayor in accordance with his delegated authority, in the following minutes:

5.1 MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYORAL COMMITTEE HELD ON 16 MAY 2017

read in conjunction with

MINUTES OF A PORTFOLIOS COMMITTEE MEETING HELD ON 3 MAY 2017

5.2 MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYORAL COMMITTEE HELD ON 14 JUNE 2017

6. REPORT IN RESPECT OF DELEGATED DECISION MAKING BY THE MUNICIPAL MANAGER

RESOLUTION

That note is taken of the decisions made by the Municipal Manager in accordance with his delegated authority, in the following minutes:

6.1 MINUTES OF A TENDER ADJUDICATION COMMITTEE MEETING HELD ON 4 MAY 2017

6.2 MINUTES OF A TENDER ADJUDICATION COMMITTEE MEETING HELD ON 30 MAY 2017

7. MATTERS FOR DISCUSSION

7.1 IMPLEMENTATION OF LEVEL 4 WATER RESTRICTIONS (16/1/17)

The Executive Mayor presented the dam levels and it is cause for concern that the levels are about 20% lower than during the same period last year. Therefore there is an urgent call for all residents to use water sparingly.

Clr D B Philander repeated his plea, submitted during the implementation of the Level 3 water restrictions that, with the adoption of the associated water tariff, water is becoming unaffordable. Clr Philander requested the Council to be pro-active and to ensure that water is affordable to all the residents of the Swartland.

During the Executive Mayoral Committee Meeting held on 19 July 2017 the following decisions were made and submitted to the Council for **NOTING** -

- (a) That the existing level 3 water restrictions are repealed and that the proposed level 4 water restrictions, referred to in **Attachment A** to this report, are approved for implementation as of 1 August 2017;
- (b) That the above mentioned restrictions do not apply:
 - (i) in cases where special exemption has been given in writing by the Municipality;
 - (ii) where other sources of non potable water are used and a notice in respect of the source is clearly displayed;
- (c) That the Municipality retains the right to install an *Aqualoc* water meter (which regulates the water usage on a daily basis) in cases where water is misused;
- (d) That the Municipal Manager is authorized, in terms of article 69(2) of the Water Provision, Sanitation Services and Industrial Waste Regulation, to grant departures, exemptions or relaxations in respect of the regulations on reasonable grounds;
- (e)/...

7.1/...

- (e) That the following 40% water tariff adjustments, which already form part of the budget process for implementation in cases of emergency which were approved by the Council on 25 May 2017, are implemented with effect on the service accounts which will be delivered during August for payment by 31 August 2017:

In respect of household users-

	Tariff per unit (kiloliter)
0 to 4 kl	R6,30 plus VAT
5 to 25 kl	R17,61 plus VAT
26 to 50 kl	R24,25 plus VAT
51 kl and more	R37,53 plus VAT

With respect to businesses (including schools, government organizations and sports clubs) –

R25,00 plus VAT from the first kiloliter used

- (f) That a public notice in respect of the above mentioned is published in the media, as well as on the website and social media platform (*Facebook*), at libraries and municipal pay points and also delivered by hand to individual households;
- (g) That an application is made to the Department of Justice to increase the current fine of R500,00 for contravention of the water restrictions;
- (h) That the Council is notified of the decision;
- (i) That the Director: Civil Engineering Services is tasked to
- investigate and draw up a contingency plan in respect of the use of alternative water sources, in conjunction with all the relevant authorities, including the Department of Water Affairs and Sanitation and the West Coast District Municipality; and
 - to identify projects resulting from the above mentioned investigation, which will possibly qualify for funding from the national disaster fund, eg. the purification of sewerage water for human consumption.

7.2 INVESTIGATION INTO UNAUTHORISED EXPENDITURE AS WELL AS FRUITLESS AND WASTED EXPENDITURE IN TERMS OF ARTICLE 32 OF THE MUNICIPAL FINANCIAL MANAGEMENT ACT, 2003 (5/15/1/5)

Any investigation into unauthorised, irregular or fruitless and wasteful expenditure must be reported to the Council on a quarterly basis. Since January 2017 no new cases have been reported to the Disciplinary Council.

Clr D B Philander voiced his concern that the supervisor is not held accountable in respect of the 'not guilty' verdict, and that the outcome of the disciplinary hearing has created a precedent. The Municipal Manager stated that adequate controls have been instituted in the interim.

RESOLUTION

(proposed by ald M S I Goliath, seconded by clr D B Philander)

- (a) That note is taken of the progress in respect of the case of irregular purchase of material:
- (i) That the investigation has been completed and a large proportion of the loss has been recovered from the guilty party by attaching the person's provident fund payment, as well as the registration of an insurance claim;
 - (ii) That the remaining amount of R70 530.47, which is calculated as the difference between the original loss and the money recovered, is written off if it is not paid by the insurance company; and
 - (iii) That adequate preventative measures and follow up controls are instituted in order to prevent or limit the theft of material.

7.3 ANNUAL REPORT IN RESPECT OF IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY FOR THE FINANCIAL YEAR ENDING 30 JUNE 2017 (8/1/B/2)

Regulation 6(2)(a)(i) of the *Municipal Supply Chain Management Regulations* stipulates that a report in respect of the implementation of the Supply Chain Management Policy must be submitted annually to the Council.

The annual report for the period 1 July 2016 to 30 June 2017 was circulated with the agenda.

Clr D B Philander asked various questions in respect of the Departure Report and these were addressed by the Administration. Clr B J Penxa requested that the Departure Report be made available in English because it was not fair that documentation submitted to the Council was only available in Afrikaans.

RESOLUTION

(proposed by clr C B Fortuin, seconded by clr E S M Maart)

- (a) That note is taken of the Annual Report in respect of the implementation of the Supply Chain Management Policy submitted in terms of 6(2)(a)(i) of the Regulations, as well as the reports from the Formal Tenders (Attachment A), Informal Tenders (Attachment B), and the Departures Report (Attachment C);
- (b) That note is also taken of the services provided for the period 1 April 2017 to 30 June 2017, with reference to the exceptions where it was impractical to test the market and therefore a departure from the prescribed procurement procedure was necessitated according to paragraph 2(6) of the Supply Chain Management Policy (Attachment D).

7.4 QUARTERLY REPORT (ARTICLE 52 OF MFMA): APRIL – JUNE 2017 (7/1/2/2-2)

The submission of the quarterly report is prescribed by article 52(d) of the Local Government: Municipal Financial Management, Act 56 of 2003 (MFMA).

The submission of the report to the Council is one of the Executive Mayor's general responsibilities in order to inform the Council with respect to the implementation of the budget and the state of the Municipality's financial matters.

RESOLUTION

(proposed by clr M van Zyl, seconded by clr C H Papers)

That the Council takes note of the attached quarterly report, as prescribed by article 52 of the Local Government: Municipal Financial Management, Act 56 of 2003 with respect to the implementation of the budget as well as the performance of the Municipality's Top Level Service Delivery and Budget Implementation Plan for the period 1 April 2017 to 30 June 2017.

7.5 PROPOSED ALIENATION OF MUNICIPAL IMMOVABLE PROPERTIES (RESIDENTIAL PROPERTIES) IN MALMESBURY (12/2/5/4-8/17)

Based on the number of enquiries received in respect of the availability of residential property in Newclair and Dalsig, it is proposed that the immovable properties, referred to in the report, are alienated by means of a public tender.

RESOLUTION

(proposed by clr R F van der Westhuizen, seconded by ald M S I Goliath)

- (a) That the Council approves, in principle, that, in terms of article 14 of the Municipal Financial Management Act, 2003 and the Regulation and Policy in respect of the Transfer of Municipal Assets, financial offers, by means of public tender, are called for alienation of the following vacant immovable (residential) properties in Malmesbury:
 - Erf 55 (889 m² in extent), c/r of Auction and Rhodes Streets
 - Erf 3106 (713 m² in extent), Plataan Street
 - Erf 3129 (620 m² in extent), Plataan Street

7.5(a)/...

- Erf 3102 (870 m²), Plataan Street
 - Erf 3109 (713 m²), Kameelboom Street
 - Erf 3092 (844 m²), Peperboom Street
- (b) That note is taken that the properties which will be offered for sale are primarily identified as residential properties in terms of the zoning thereof and at no stage were earmarked for the minimum or any other level of basic municipal services;
- (c) That, as in the case of other residential properties which have been alienated in the past two years in Dalsig and Newclair, the reserve price is also fixed at 70% of the municipal valuation (date of valuation: 1 July 2015), for the following reasons:
- The relevant erwen have not been developed in the recent past, but have been vacant for many years (Newclair erwen since 1987) and the development costs thereof have been completely recovered;
 - There is a willingness to give the above mentioned entry level buyers into the property market the opportunity because they fall into the so-called "GAP" category;
 - That note is taken of the possible loss of income due to the fact that the erwen are vacant and do not have owners with a responsibility in respect of availability monies and liquidated damages;
- (d) That the reserve prices (VAT excluded) for the properties, which the Council views as reflecting a fair market related price, is fixed as follows:

Erf 55	R168 000,00
Erf 3106	R136 150,00
Erf 3129	R122 850,00
Erf 3102	R158 550,00
Erf 3109	R136 150,00
Erf 3092	R154 700,00

- (e) That the intention of the Council to sell the properties by means of a public participation process is advertised for comment and objections;
- (f) That authorization is given
- (i) To the Executive Mayor's Committee
 - to deal with any comments and/or objections received in respect of the proposed transactions; and to
 - consider any offers received for the properties for acceptance or rejection, and to finalize a decision in respect of the transfer of assets;
 - (ii) to the Director: Corporate Services to finalize the conditions of sale for tender purposes in conjunction with all the relevant internal role players, as well as the council's lawyer;
- (g) That approval is also given that if the above mentioned properties remain unsold after the relevant competitive process, they may be sold, out of hand, on a 'first come first served' basis at the stated reserve price, provided that the Municipality publicises its intention to sell the properties out of hand from a given date, and with the understanding that the sale of the relevant properties will be limited to a maximum of one property per buyer and that the reservation of properties for a certain buyer will be limited to a maximum of one calendar month.

7.6 PROPOSED OUT-OF-HAND ALIENATION OF PORTIONS OF ERF 326, RIEBEEK-WEST (12/2/5/2-12/1)

The Municipality was approached during 2016 by both *Group 35 Foods (Pty) Ltd* and *Kaap Agri* to obtain portions of erf 326 Riebeeck West for consolidation with their respective properties.

Erf 326, Riebeeck West consists of a number of industrial erwen, which were approved as part of the Riebeeck West Housing Project for future development.

7.6/...

RESOLUTION

(proposed by clr N Smit, seconded by clr D G Bess)

- (a) That the Council approves the alienation and transfer of the following portions of erf 326, Riebeek West in terms of the relevant Regulation as well as article 14 of the Municipal Financial Management Act, 2003 as indicated:
- Portion A (896 m²) to *Group 35 Foods (Pty) Ltd* to the amount of R80 640,00 VAT excluded, for consolidation with erf 1700, Riebeek West;
 - Portion B (739 m²) to *Kaap Agri* to the amount of R66 510,00 VAT excluded, for consolidation with erf 602, Riebeek West
- (b) That note is taken that the above mentioned portions of land were always zoned for industrial purposes, and as such were not necessary for the supply of a minimum or any other level of basic municipal services;
- (c) That the following reasons must be noted for the above mentioned out-of-hand alienation, without following the public competitive process:
- (i) The above mentioned portions of land do not qualify as 'possible assets' due to the fact that they are not serviced and are not serviced by an access road, and as such are only useful if they are alienated or leased to a adjoining owner or owners for consolidation with existing properties;
 - (ii) The property at present and as such undeveloped and inaccessible can only reasonably be alienated to the owners of erwen 1700 and 602, and not to any other person or entity;
- (d) That the following conditions apply:
- (i) That the buyers are responsible for all attendant and incidental costs which may arise from the transaction, including advertising costs, transfer costs and the costs associated with the surveying and land usage processes (including the registration of the proposed access road) as well as the consolidation costs;
 - (ii) If any of the above ground or underground services must be replaced, moved and/or protected by means of a servitude, the full expense thereof will be to the account of the buyer;
 - (iii) The services of the council's lawyer are used to draw up the sale agreement and to do the transfer to the buyers;
- (e) That the out-of-hand alienation of the properties is advertised for public comment and that – if any objections are received – the Executive Mayor's Committee is authorized to deal with these and to finalize the transaction;
- (f) That before the above mentioned is advertised, written confirmation is received from the applicants that they agree to the conditions referred to in this report;
- (g) That the Director: Corporate Services is authorized to finalize and sign the sale agreement.

**SIGNED
SPEAKER**